

AFFORDABLE MORTGAGES FOR LOW-INCOME AND MODERATE-INCOME HOMEBUYERS



Dramatic improvements have been made to MSHDA's Homeownership program. Increases in the purchase price and income limits will allow many more homebuyers to take advantage of this exciting and beneficial program.

GUIDELINES FOR BORROWERS

As a borrower, you must:

- not exceed the maximum annual total household gross income limit.
- have acceptable credit and the ability to repay the mortgage loan.
- occupy the home as your principal residence after the loan is closed.
- in some areas of Michigan, be a first-time homebuyer (not having owned a house as your principal residence within the last three years). Please refer to the chart on the back of this brochure.
- not refinance an existing land contract, finance any type of rental property or co-op.
- attend homeownership counseling for conventional loans over 97% loan to value.
- Please visit www.michigan.gov/mshda to find a homeownership counselor in your area.

HOW THE PROGRAM WORKS

- The mortgage loan term is 30 years.
- MSHDA offers below-market, fixed-rate loans as well as a step loan option, which features a reduced interest rate for the first three years and steps up to a higher rate for the remainder of the 30 year term.
- Current MSHDA mortgage rates are listed at www.michigan.gov/mshda.
- FHA, VA, Rural Development and Conventional loans are available.
- With some loan programs, no down payment is required.
- Contact a participating lender and make an application for a MSHDA loan. A list of experienced banks, credit unions and mortgage companies can be found online at www.michigan.gov/mshda.
- To determine the sales price and income limits for the community where you intend to buy a home, please visit www.michigan.gov/mshda.



MANY TYPES OF HOMES QUALIFY

Many types of homes are eligible under MSHDA's Homeownership program, depending on your individual needs.

You may finance:

- newly built, previously unoccupied, houses.
- new multiple-section manufactured homes on foundations permanently affixed to real estate.
- existing houses that have been previously occupied.
- existing manufactured homes — only if they are multiple-section, on foundations permanently affixed to real estate and built after 1976.

DOWN PAYMENT ASSISTANCE

MSHDA's Homeownership program offers qualified families down payment assistance to make buying a home even easier.

PROGRAM FEATURES

- Offers a zero-interest down payment assistance loan with no monthly payments for a MSHDA/FHA, MSHDA/Rural Development or MSHDA/97% Conventional first mortgage.
- The funds may be used toward the cash requirements needed to close including: a portion of the down payment, closing costs, prepaid/escrow expenses and a home inspection performed by a licensed home inspector.
- Borrower needs to contribute a minimum of one percent (1%) of the sales price.
- Available for low- to moderate-income homebuyers. Income limits are adjusted for family size. For current limits, please visit our Web site at www.michigan.gov/mshda.
- Maximum assistance is \$7,500. This second mortgage will be a zero percent (0%), non-amortizing loan, which will be due on sale or transfer of the property or if the first mortgage is refinanced or paid in full.
- Maximum purchase price limits apply. For current limits, please visit www.michigan.gov/mshda.
- Borrower must complete a homebuyer education class.



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TARGETED AREAS: NO RESTRICTION ON PRIOR HOMEOWNERSHIP

1. ENTIRE COUNTY

Alcona	Grand Traverse	Mecosta
Alger	Gratiot	Menominee
Allegan	Hillsdale	Missaukee
Alpena	Houghton	Montcalm
Antrim	Huron	Montmorency
Arenac	Ingham	Newaygo
Baraga	Ionia	Oceana
Barry	Iosco	Ogemaw
Benzie	Iron	Ontonagon
Berrien	Isabella	Osceola
Branch	Kalamazoo	Oscoda
Cass	Kalkaska	Otsego
Charlevoix	Keweenaw	Presque Isle
Cheboygan	Lake	Roscommon
Chippewa	Lapeer	St. Clair
Clare	Leelanau	St. Joseph
Crawford	Lenawee	Sanilac
Delta	Luce	Schoolcraft
Dickinson	Mackinac	Tuscola
Emmet	Manistee	Van Buren
Gladwin	Marquette	Washtenaw
Gogebic	Mason	Wexford

2. CITIES AND TOWNSHIPS (UNINCORPORATED AREAS ONLY)

Parent County	Cities and Townships	Parent County	Cities and Townships
<i>Bay</i>	Bay City Gibson Twp. Mt. Forest Twp. Pinconning Twp.	<i>Midland</i>	Coleman Geneva Twp. Greensdale Twp. Jasper Twp. Lee Twp. Mills Twp. Mt. Haley Twp.
<i>Calhoun</i>	Albion Battle Creek Burlington Lee Twp.	<i>Monroe</i>	Luna Pier
<i>Clinton</i>	Maple Rapids Lebanon Twp. Ovid Twp.	<i>Muskegon</i>	Muskegon Muskegon Hts.
<i>Eaton</i>	Charlotte Olivet Vermontville Brookfield Twp. Roxand Twp.	<i>Oakland</i>	Pontiac Royal Oak Twp.
<i>Genesee</i>	Flint	<i>Ottawa</i>	Holland Chester Twp.
<i>Jackson</i>	Jackson Pulaski Twp.	<i>Saginaw</i>	Merrill Saginaw Brady Twp. Brant Twp. Chapin Twp. Marion Twp.
<i>Kent</i>	Grand Rapids Kent City Spencer Twp.	<i>Shiawassee</i>	Laingsburg Owosso Fairfield Twp. Hazelton Twp. Middlebury Twp.
<i>Livingston</i>	Howell Cohoctah Twp. Conway Twp. Iosco Twp.	<i>Wayne</i>	Detroit Ecorse Hamtramck Highland Park River Rouge
<i>Macomb</i>	Mt. Clemens		

NOTE: If you want to buy a home in an area that is not named on one of the above lists, that means the property is located in a Non-targeted Area. In Non-targeted Areas, you are not eligible for the Homeownership program if you have owned a home as your principal residence within the last three years.

CURRENT INTEREST RATES

Current interest rates for MSHDA
Homeownership programs can be found on our
Web site at www.michigan.gov/mshda.

LOAN TERMS

- 30 year fixed-rate loan
- 30 year “Step Loan” option*
*FHA & Conventional to 95% LTV

MSHDA HOMEOWNERSHIP: DELIVERING THE DREAM TO MICHIGAN FAMILIES

